of bus fleet to meet the incremental traffic demand should come from the private sector. The need for SRTUs, expanding fleet is in exceptional cases only. The question of Centre's matching capital contribution would arise subject to the criteria of profitability being satisfied in exceptional circumstances only.

(c) and (d) Planning Commission have been emphasising the following measures to be taken for improving the overall performance of SRTUs :—

(i) Improvement of productivity by better management and control.

(ii) Improvement of maintenance facilities and thereby resulting in improved fuel efficiency.

(iii) Appropriate tariff revision and

(iv) Containment of staff.

Construction of Passenger Cum-Cargo Vessel by HSL at Andaman and Nicobar Island

4835. SHRI IQBAL SINGH : Will the Minister of SURFACE TRANSPORT be pleased to state :

(a) whether the Hindustan Shipyard Limited has signed an agreement with the Andaman and Nicobar Islands Administration to construc a passenger-cum-cargo vessel;

(b) if so, what are the details thereof, indicating the estimate of the project;

(c) whether Government have granted permission to HSL to sell three ships to the Shipping Corporation of India; and

(d) if so, the details thereof and reasons there for?

THE MINISTER OF STATE OF THE MINISTRY OF SURFACE TRANSPORT (SHRI JAGDISH TYTLER) : (a) Yes Sir.

(b) The cost of the passenger-cum-cargo vessel including Government subsidy is fixed at Rs. 194.37 crores. Payment to HSL shall be as folows :

On contract being affective	15%
Keel laying	25%
50% of Hull erection	10%
Launching	25%
Dock trials	10%
Delivery	15%

(c) Yes, Sir.

(d) Keeping in view financial difficulties of HSL and also the huge cost-price gap, upward revision of the price of the three bulk carriers (1 bulk carrier of 27,000 DWT capacity and 2 bulk carriers of 42,750 DWT each) from Rs. 62 crores to Rs. 160 crores was approved by the Government on 27-1-94. Other details are as follows :—

(i) SCI will be given additional budgetary support to the extent of 20% of the amount of Rs. 152 crores, i.e. Rs. 30.40 crores, with the permission to procure the balance 80% amount of Rs. 121.60 crores from the open market. The interest differential will be given to SCI as subsidy as in the past.

(ii) The Government share of 95% for the payments already made by SCI to HSL in respect of the above 3 vessels amounting to Rs. 43.37 crores and the interest accrued thereon upto 31-12-93, may be treated as loan granted to HSL, to be repaid in 5 equal instalments at an interest of 18% commencing from 1-1-95.

(iii) The amount of Rs. 2.29 crores paid towards 5% instalment share by SCI to HSL along with the interest thereon upto 31-12-93 will also be adjusted towards the payments to be made by SCI on this account.

(iv) HSL may ensure completion of Hull No. 1131 within 10 months and Hull No. 1132 within 26 months from the date of signing of the amendment to the contract.